

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of GOLDEN HILLS SANITATION COMPANY (U 438-SWR) for Authority to Increase Rates Charged for Sewer Service by \$148,076 or 120% in January 2012, \$148,076 or 54% in January 2013, and \$148,076 or 35% in January 2014.

Application 11-08-019  
(Filed August 26, 2011)

**ASSIGNED COMMISSIONER'S RULING ISSUING A TEMPORARY RESTRAINING ORDER REQUIRING GOLDEN HILLS SANITATION COMPANY TO CONTINUE TO OPERATE UNTIL A RECEIVER IS ASSIGNED**

**Summary**

I am issuing a temporary restraining order requiring Golden Hills Sanitation Company to continue to operate and provide sewer service until such time as a receiver is assigned to operate the utility. This temporary restraining order will be subject to ratification by the full Commission.

**Background**

On August 26, 2011, Golden Hills Sanitation Company (GHSC) filed Application (A.) 11-08-019, for Authority to Increase Rates Charged for Sewer Service by \$148,076 or 120% in January 2012, \$148,076 or 54% in January 2013, and \$148,076 or 35% in January 2014. On December 16, 2011, an assigned ALJ ruling granted GHSC interim rates and required GHSC to request authorization to establish a memorandum account to track the difference between the interim rates and the final rates adopted by the Commission in this proceeding.

On February 16, 2012, GHSC filed a motion to stay its application. In particular, GHSC stated that since it has insufficient funds and personnel to participate in the current proceeding, it is unable to proceed with its request at this time, and that it would inform the

Commission if circumstances change and it is able to resume participation in the current proceeding.

On February 21, 2012, the GHSC sent a notice to its customers indicating “closure and cessation of sewer service effective February 29, 2012.”

### **Discussion**

A utility regulated by the Commission must provide service pursuant to the requirements of Public Utilities (Pub. Util.) Code § 451.<sup>1</sup> The current owners and operators of GHSC may not abandon their responsibility to serve GHSC’s customers as required of each utility regulated by the Commission. Such abandonment of the utility will result in unacceptable health and safety risks to GHSC’s customers. To prevent these risks, the owners and operators of GHSC must continue to provide sewer service to GHSC’s customers until a receiver is appointed.

As discussed in Decision (D.) 06-05-040 and D.04-09-046, an individual assigned Commissioner or ALJ may issue a temporary restraining order to preserve the status quo.<sup>2</sup> As the assigned Commissioner, I issue this temporary restraining order to ensure that the service provided to GHSC customers continues uninterrupted. This temporary restraining order requires the owners and operators of GHSC to continue providing service to GHSC’s customers until such time that a receiver is appointed. At a future date, the Commission as a

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<sup>1</sup> In part, Pub. Util. Code §451 states “Every public utility shall furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities, including telephone facilities, as defined in Section 54.1 of the Civil **Code**, as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public.”

<sup>2</sup> See D.06-05-040, Appendix A, at 7 ““ An individual assigned Commissioner or ALJ may issue a temporary restraining order or preliminary injunction in order to preserve the status quo, subject to its ratification or reversal by the full Commission. (See the California Constitution, Article XII, Section 2 [“Any commissioner as designated by the commission may hold a hearing or investigation or issue an order subject to commission approval.”]; see also Pub Util. Code § 310; *Systems Analysis and Integration, Inc. d/b/a Systems Integrated v. Southern California Edison Company*, D.96-12-023, 69 CPUC2d 516, 522...”

whole will vote to ratify this ruling. The owners of GHSC must meet with the Commissions Division of Water and Audits to discuss a schedule for appointment of a receiver. If GHSC does not comply with this ruling, such violation of Public Utilities Code may result in assessment of fines or imprisonment.<sup>3</sup>

**IT IS SO RULED.**

Dated February 22, 2012, at San Francisco, California.

/s/ MICHEL P. FLORIO

Michel P. Florio  
Assigned Commissioner

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<sup>3</sup> See Pub. Util. Code §§2708, 2108, 2112, and 2113.